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## CHAPTER 5

### IMPLEMENTATION OF DEPOT SOURCE OF REPAIR (DSOR) DECISIONS

**5-1. General.** This chapter provides requirements and procedures for implementation of DSOR decisions, including implementation planning, status reporting, and recording DSOR decisions in the Federal Logistics Information System (FLIS) Total Item Record (TIR). These requirements differ depending upon whether an assignment to an interservice DSOR resulted from the decision. The two conditions are:

a. **No Interservice Assignment.** Implementation is not tracked within the JDM Program. The methods and procedures for implementing DSOR decisions that assign a depot maintenance workload within the owning Service are left to the discretion of the owning Service except for assignments resulting from Service workload competitions. Assignments resulting from Service workload competitions must be implemented in accordance with Appendix G, Depot Maintenance Competition.

b. **Interservice Assignment.** The methods and procedures for implementing decisions that assign depot maintenance workload to a Service other than the owning Service (interservicing) depend upon the decision method. The decision methods and associated allowable implementation methods are discussed in subsequent paragraphs. Implementation progress of interservice DSOR assignment decisions shall be reported to the JDM Program for tracking.

(1) **Directed DSOR, MISMO Review, and JDMAG DMI Study.** Interservice DSOR assignment decisions accomplished through Directed DSOR, MISMO Review, or JDMAG DMI study may be implemented by either Depot Maintenance Interservice Support Agreement (DMISA) or by credit exchange.

(2) **Service Workload Competition.** Interservice DSOR assignments resulting from Service Workload Competitions shall be implemented by DMISA, in accordance with Appendix G.

**5-2. Implementing Procedures for Directed DSOR, Maintenance Interservice Support Management Office (MISMO) Review, or Joint Depot Maintenance Activities Group (JDMAG) Depot Maintenance Interservice (DMI) Study.** The procedures for implementing interservice DSOR assignments by Directed DSOR, MISMO Review, or JDMAG DMI Review are:

a. **Decision Notification.** Upon receipt of the joint Service decision letter, the MISMOs in the involved Services shall notify the Principal and Agent command/separate reporting activity/center MISOs, assigned DSOR activities, managing Inventory Control Points (ICP), and managing program acquisition/logistics offices by letter, with a copy to the JDMAG. For joint programs, the responsibility for notification of the program offices rests with the MISMO of the executive Service (or lead Service if no executive Service is designated).

(1) The Principal and Agent MISOs have primary responsibility for implementing DSOR assignments.

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(2) Managing ICPs are responsible for recording the appropriate Nonconsumable Item Management Support Codes (NIMSC) and the approved DSOR assignment codes in the FLIS TIR in order to document the assignment in a standardized common data system.

b. **Methods of Interservice Implementation.** Workloads may be interserviced by two methods: DMISA or credit exchange. Other methods such as a Memorandum of Agreement (MOA) or Memorandum of Understanding (MOU), or funding via Military Interdepartmental Purchase Request (MIPR) are acceptable for interim periods but must be formalized by one of the two authorized methods.

c. **Implementation Plan.** An implementation plan is required for all DSOR decisions that assign workload across Service lines. The plan will be initiated by the Principal MISO and, following coordination with the Agent MISO, submitted to the Principal Service MISMO within 90 days of the date of that MISMO's decision notification letter. A copy of the approved plan will be provided to the other involved Service MISMOs and to JDMAG.

d. **Implementation Plan Requirements.** The implementation plan shall identify significant actions necessary to implement the interservice assignment of the Principal's workload in the Agent's depot activity. Milestones will be established that support the requirements of the Principal. The plan will identify responsible commands/centers and offices for each action. The plan will be maintained by the Principal and Agent MISOs until implementation is completed. The Principal MISO will furnish copies to the involved Service MISMOs and JDMAG when significant breaches or changes occur (i.e., milestones missed and/or revised, actions deleted, added and/or revised, responsible offices changed, etc.). An example of an implementation plan is provided at Figure 5-1.

e. **Funding.** Generally, the managing program office is responsible for funding the establishment of a depot maintenance capability and capacity. This may be the Executive Service, if one has been designated, or the Primary Inventory Control Activity (PICA) that has been designated under the provisions of AMC-R 700-99, NAVSUPINST 4790.7, AFMCR 400-21, MCO P4410.22, Wholesale Inventory Management and Logistics Support of Multiservice Used Nonconsumable Items, and DoD 4100.39-M, The Defense Logistics Information System. However, in the case of interservicing depot maintenance, the Principal is responsible for funding establishment of capability and capacity to meet requirements beyond those of the Agent.

**5-3. Implementing Procedures for Service Workload Competition.** Implementing Service Workload Competition assignments shall be in accordance with Appendix G and the following procedures for JDM Program reporting and tracking:

a. **Decision Notification.**

(1) Following award or assignment, the competition management activity will notify its Service MISMO, with a copy to the JDMAG, of the results of the Service Workload Competition.

**Inverted triangles connote milestones; filled lines connote partial completions; filled triangles connote completed activity. Ex: Start 50% Completed Finished**

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Completed Finished

(Example -Credit Exchange/NIMSC 5) (Sheet 2 of 2)

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(2) JDMAG will record the award/assignment (including the depot repairables) and release the joint Service decision letter to the Service MISMOs.

(3) The competition management activity's Service MISMO and other MISMOs with items included in the competition will notify their Service command/center MISOs, ICPs and program acquisition/logistics offices. The MISMO notification letters will include a synopsis of the competition and an updated list of depot repairable items (if different from the list submitted with the introduction package - see paragraph 4-11b).

(a) The Principal and Agent MISOs have collateral responsibility for implementing interservice DSOR assignments resulting from Service Workload Competition assignments.

(b) The managing ICPs are responsible for recording the appropriate NIMSCs and DSOR assignment code in the FLIS TIR.

b. **Implementation Responsibility.** Implementation is the responsibility of the officials designated by the Principal(s) and Agent and, if specified, must be in accordance with the terms of the solicitation and offeror's proposal.

c. **Method of Implementation.** Implementation of interservice assignments shall be by DMISA. The DMISA shall contain the same work requirements, price structure, and schedule as set forth in the solicitation, and the successful offeror's proposal.

d. **Funding.** Responsibility for funding establishment of the depot maintenance capability and capacity shall be as specified in the solicitation and offeror's proposal.

#### **5-4. Depot Maintenance Interservice Support Agreement (DMISA) Policy.**

a. The DMISA shall be used for all multi-year interservice depot maintenance workload assignments unless the credit exchange method is selected. Only the DMISA may be used for an interservice depot maintenance assignment resulting from a Service Workload Competition.

b. DMISAs shall be prepared, coordinated, negotiated, reviewed, maintained, and terminated in accordance with the instructions and standard format found at Appendix F. Additional guidelines regarding DMISAs are:

(1) Approval authority signatures of both Principal and Agent shall constitute formal agreement. Changes after acceptance require agreement by both Principal and Agent.

(2) DMISAs, with the exception of those resulting from a Service Workload Competition, will normally be established for 5-year periods, with annual reviews mandatory. The Principal MISO will call the annual review, which primarily will be devoted to establishing workload projections and updating exhibits in the DMISA. Out-of-cycle reviews may be requested by either party to resolve issues.

(3) DMISAs shall not be terminated except for one or more of the following reasons:

- (a) product cost does not meet negotiated price or is unreasonable,
- (b) quality does not meet specifications, or
- (c) schedule does not meet negotiated customer requirements.

Refer to Appendix G for termination of DMISAs resulting from Service Workload Competitions.

(4) Reassignment of workload from terminated DMISAs shall be accomplished through the DSOR decision process (i.e., Service Workload Competition, MISMO review, or JDMAG DMI study).

#### **5-5. Follow-On Implementation Actions.**

- a. Upon completion of provisioning and cataloging actions for the items contained within each DSOR decision, the Principal MISO will report National Stock Numbers (NSN), PICA, SICAs, NIMSCs and DSORs for each depot reparable item to JDMAG.
- b. If configuration changes occur for the items contained within each DSOR decision assigned to an interservice DSOR, the Principal MISO will report the new manufacturer's part number (MPN) and Commercial and Government Entity (CAGE) code and NSN (if assigned) to JDMAG.
- c. The Agent MISO will report any significant cost changes projected or incurred in the implementation of the interservice DSOR assignment from those identified in the DMI study to the involved Service MISMOs and to JDMAG.
- d. Completed implementation will be reported by the Principal MISO to the involved Service MISMOs and to JDMAG.

#### **5-6. Depot Source of Repair (DSOR) Code Recording in the Federal Logistics Information System (FLIS) Total Item Record (TIR).**

- a. Objective. To provide an accessible record of approved DSOR assignments. This is accomplished by recording a two alpha character code, which is unique to each activity performing depot maintenance within the Military Services, in the FLIS TIR. DSOR codes have also been established for other Federal Government activities that routinely provide depot maintenance support to the Military Services.
- b. Responsibilities.
  - (1) Each Service MISMO will establish and maintain a distinct code for each activity within its Service that performs depot maintenance, and coordinate proposed new codes and changes to existing codes with the JDMAG.

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(2) Each Service MISMO will direct its Service's managing ICP to record the approved DSOR in the FLIS TIR upon receipt of the joint Service decision letter.

(3) ICPs will process approved DSOR assignments for cataloging in the FLIS TIR, when received from its Service MISMO, in accordance with AMC-R 700-99, NAVSUPINST 4790.7, AFMCR 400-21, MCO P4410.22 and DoD 4100.39-M.

c. DSOR Code Management. Authorized DSOR codes are listed in DoD 4100.39-M. Requests to establish a new code, change an existing code, or delete a code should be submitted by the Service MISMO to the Service FLIS focal point, with an information copy to the JDMAG. The Service FLIS focal point will process such requests to the Defense Logistics Information Service (DLIS) and assess any impact upon Service data systems. Service FLIS focal points are identified in DoD 4100.39M. Attempted use of codes not listed will result in data rejects by system software.

d. Reports. DLIS will periodically provide the following data from the FLIS TIR to the Service MISMOs:

(1) Semiannual report, by Service, reflecting the status of implementation of DSOR code data into the FLIS TIR.

(2) Annual report that identifies those NSNs (items) with DSOR code either 99 or blank, thus indicating cataloged items that require DSOR code entries.